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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)

1998 Biennial Regulatory Review --)
Testing New Technology)

CC Docket No. 98-94

REPLY COMMENTS OF BELL ATLANTIC¹ ON NOTICE OF INQUIRY

With one exception, all parties have shown that the Commission's goal of facilitating technical and market trials can be achieved by allowing carriers to proceed without prior regulatory constraints. Only Intermedia Communications, Inc. ("Intermedia") would undermine the Commission's initiative. While purporting to support the Notice, its proposed limitations would gut those efforts.

First, Intermedia would limit trials to 90 days. *See Intermedia* at 4. 90 days is a totally inadequate period to test either new technology or new services using existing technology. Technical trials often require repeated changes to the parameters and interfaces, in cooperation with the equipment vendors, to develop stable and efficient systems that can operate successfully and reliably and will meet all design specifications. This effort will take far more than 90 days. Similarly, market trials must be of sufficient length that the carrier can experiment with different prices and adjust the service as needed

¹ The Bell Atlantic telephone companies ("Bell Atlantic") are Bell Atlantic-Delaware, Inc.; Bell Atlantic-Maryland, Inc.; Bell Atlantic-New Jersey, Inc.; Bell Atlantic-Pennsylvania, Inc.; Bell Atlantic-Virginia, Inc.; Bell Atlantic-Washington, D.C., Inc.; Bell Atlantic-West Virginia, Inc.; New York Telephone Company; and New England Telephone and Telegraph Company.

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based upon customer reaction. For these reasons, Bell Atlantic proposed that trials of up to eighteen months be permitted without prior approval. *See* Bell Atlantic at 7-8.

Second, by proposing that the Commission require 90 days' prior notice to competitors of a carrier's plan to initiate the trial, Intermedia wants more stringent regulatory requirements than would be needed for an operational service, which requires only a 15 day tariff filing. *See* Intermedia at 5. A requirement to give competitors prior notice of its intention to conduct a trial serves no purpose other than deterring carriers from conducting trials, in contravention of the Commission's purpose in initiating this proceeding.

Third, Intermedia asks the Commission to impose on technical and market trials nearly all of the existing regulatory obligations for operational services, such as tariffing, interconnection, resale, and unbundled access. *Id.* at 3-4. It is these very obligations that provide the disincentive for carriers to invest in new technologies and services that the Commission is trying to alleviate in this proceeding.

Intermedia's proposals would run counter to the very reasons why the Commission initiated this proceeding – to provide an incentive and opportunity for carriers to invest in new technologies and services. They would re-establish the same regulatory delays and obligations which currently inhibit carriers from risking their capital to develop services.

The Commission should reject Intermedia's attempt to undermine this initiative and allow technical and market trials to proceed free of prior regulatory constraints, as all of the other parties propose.

Respectfully Submitted,

A handwritten signature in cursive script, appearing to read "Lawrence W. Katz", written in dark ink.

Lawrence W. Katz

Michael E. Glover
Of Counsel

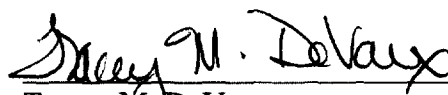
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August 5, 1998

CERTIFICATE OF SERVICE

I hereby certify that on this 5th day of August, 1998 a copy of the foregoing "Reply
Comments of Bell Atlantic on Notice of Inquiry" was served on the parties on the attached list.


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